# News

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## **AVERAGE ANNUAL PAY IN OREGON, 1999**

Annual pay in Oregon averaged \$30,872 in 1999, increasing 4.5 percent over the year, according to the U.S. Department of Labor's Bureau of Labor Statistics. Stanley P. Stephenson, Regional Commissioner of the Bureau in San Francisco, noted that Oregon's pay level trailed both the national average (\$33,340) and that for the Pacific division <sup>1</sup> (\$36,518). (See table 1.)

Average pay in the Pacific division grew at a 6.3 percent pace in 1999 compared to 4.4 percent nationally. Within the division, growth in average annual pay ranged from 0.5 percent in Alaska to 8.0 percent in Washington, respectively, the lowest and highest rates in the country as well. Among the five states in the division, pay levels exceeded the nationwide average in California, Washington and Alaska at \$37,577, \$35,736 and \$34,033, respectively. Hawaii joined Oregon as the only other state in the division with a pay level (\$29,794) below that for the nation. (See table 1.)

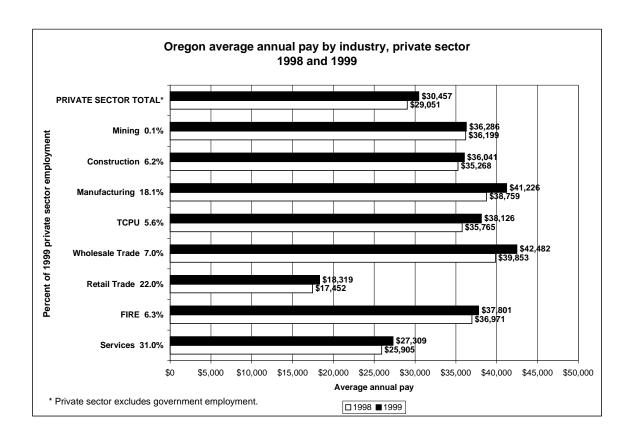
Annual pay data are compiled from reports submitted by employers subject to State and federal Unemployment Insurance (UI) laws which cover 122 million full- and part-time workers nationwide. Average annual pay is computed by dividing total annual payrolls of employees covered by UI programs by the average monthly number of these employees. (See Technical Note.) Pay differences among states reflect the varying composition of employment by occupation, industry, and hours of work, as well as other factors. Similarly, over-the-year pay changes may reflect shifts in these characteristics, as well as changes in the level of average pay.

## Pay in industries

Annual pay for private industry workers (excludes those in government) in Oregon averaged \$30,457 in 1999, somewhat less than the national average of \$33,244. (See table 2.) Over the past year, however, average pay advanced 4.8 percent in Oregon, similar to the nationwide gain of 4.7 percent for

<sup>&</sup>lt;sup>1</sup> The Pacific region referenced in this release corresponds to the Census definition and is comprised of five states: Alaska, California, Hawaii, Oregon, and Washington

the nation. Pay in three industries--manufacturing; transportation, communications, and public utilities; and wholesale trade--all increased by more than 6.0 percent from 1998 to 1999. Only one industry, mining, recorded pay growth of less than 1.0 percent. Wholesale trade continued to be the highest paid industry in the state at \$42,482, while retail trade, which includes a high percentage of part-time workers, remained the lowest-paid at \$18,319. Statewide pay levels in the private sector were above the nationwide industry average in construction and retail trade. Services was Oregon's largest industry division accounting for 31 percent of all private sector employment. Overall, those employed in private industry accounted for 85 percent of the State's workforce.



#### Pay in metropolitan areas

Among Oregon's four metropolitan areas<sup>2</sup>, Portland-Vancouver, OR-WA, led the State in pay averaging \$34,382 in 1999, 39<sup>th</sup> highest among the 316 metropolitan areas nationwide. (See table 3.) Salem recorded the second highest pay level in Oregon at \$26,943, and ranked 196<sup>th</sup> nationwide. Medford-Ashland had the lowest average annual pay and ranked 245<sup>th</sup>. None of the metropolitan areas in the State had a pay level above the national metropolitan average of \$34,900.

Pay growth from 1998 to 1999 in three of the State's four metropolitan areas exceeded the nationwide average of 4.4 percent for all metropolitan areas. Medford's pay increase, at 5.8 percent, was

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<sup>&</sup>lt;sup>2</sup> Nationwide there are 316 metropolitan areas. The general concept of a metropolitan area is that of a core area containing a large population nucleus, together with adjacent communities that have a high degree of economic and social integration within that core. See Technical Note for criteria used in determining a metropolitan area.

the largest in the State. Average annual pay in both Salem and Portland-Vancouver, OR-WA, grew at a 4.7 percent pace. Eugene's pay increase, at 3.1 percent, was the lowest in the State.

# Pay in large counties

Pay in Oregon's five large counties<sup>3</sup>, ranged from \$26,932 in Lane County to \$39,207 in Washington County. Multnomah County, at \$34,644, joined Washington in exceeding the nationwide pay level of \$33,340. From 1998 to 1999, pay growth in Oregon's largest counties was strongest in Washington at 7.0 percent and slowest in Lane at 3.1 percent, while Clackamas County, at 4.2 percent, was closest to the national rate of growth of 4.4 percent. (See table 4.)

#### **NOTE**

Data presented in this release will differ from that previously published in the three Average Annual Pay releases issued in November and December of 2000. Pay data in this release is no longer preliminary. In addition, data for New Jersey, which was unavailable at the time of the national releases were issued, is now included in all series.

#### TECHNICAL NOTE

## Background

These data are the product of a federal-state cooperative program in which State Employment Security Agencies (SESAs) prepare summaries of employment and total pay of workers covered by Unemployment Insurance legislation. The summaries are a by-product of the administration of state unemployment insurance (UI) programs that require most employers to pay quarterly taxes based on the employment and wages of workers covered by UI. Data for 1999 are preliminary and subject to revision.

# <u>Coverage</u>

Employment and wage data for workers covered by state UI laws and for federal civilian workers covered by the Unemployment Compensation for Federal Employees (UCFE) program are compiled from quarterly contribution reports submitted to the SESAs by employers. In addition to the quarterly contribution reports, employers who operate multiple establishments within a state complete a questionnaire, called the "Multiple Worksite Report," which provides detailed information on the location and industry of each of their establishments. Average annual pay data are derived from summaries of employment and wages submitted by states to the Bureau of Labor Statistics. These reports are based on place of employment rather than place of residence.

UI and UCFE coverage is broad and basically comparable from state to state. In 1999, UI and UCFE programs covered workers in 127.0 million jobs. The estimated 122 million workers in these jobs (after adjustment for multiple jobholders) represent 99 percent of wage and salary civilian employment.

<sup>&</sup>lt;sup>3</sup> A large county is defined as having an employment level of 75,000 or more; there are 301 counties in the United States which meet this criteria.

Covered workers received \$4.232 trillion in pay, representing 94.7 percent of the wage and salary component of personal income and 45.5 percent of the gross domestic product.

Major exclusions from UI coverage during 1999 included most agricultural workers on small farms, all members of the Armed Forces, elected officials in most states, most employees of railroads, some domestic workers, most student workers at schools, and employees of certain small nonprofit organizations.

## Concepts and methodology

Average annual pay is computed by dividing total annual pay of employees covered by UI programs by the average monthly number of these employees. Included in the annual payroll data are bonuses, the cash value of meals and lodging when supplied, tips and other gratuities, and, in some states, employer contributions to certain deferred compensation plans such as 401(k) plans and stock options. Monthly employment is based on the number of workers who worked during or received pay for the pay period including the 12<sup>th</sup> of the month. With few exceptions, all employees of covered firms are reported, including production and sales workers, corporation officials, executives, supervisory personnel, and clerical workers. Workers on paid vacations and part-time workers also are included. Percentage changes in average annual pay for 1999 were computed using final 1998 data as a base.

The ratio of full-time to part-time workers as well as the number of individuals in high-paying and low-paying occupations affects average annual pay. When comparing average annual pay levels between industries and/or states, these factors should be taken into consideration. Annual pay data only approximate annual earnings, because an individual may not be employed by the same employer all year or may work for more than one employer. Year-to-year changes in average annual pay can result from a change in the proportion of employment in high- and low- wage jobs, as well as from changes in the level of average annual pay.

Data in table 4 are presented separately for the private sector and for government. Average annual pay for employment in the private sector is presented by industry division as defined in the 1987 Standard Industrial Classification Manual. Government data include federal, state, and local establishments.

Each year, a relatively small number of employers provide insufficient information on the nature of their businesses to assign a specific SIC classification and therefore could not be classified by industry division. The wages for these nonclassifiable establishments, along with data for the agricultural division, are not shown separately, but are included in the averages for state and national totals.

The Office of Management and Budget (OMB) defines metropolitan areas for use in federal statistical activities and updates these definitions as needed each summer—data in this release use criteria established in definitions issued June 23, 1998 (OMB Bulletin No. 98-06). The 316 metropolitan areas in the United States are a compilation of a set of areas classified as Metropolitan Statistical Areas (MSAs), Primary Metropolitan Statistical Areas (PMSAs) and Consolidated Metropolitan Statistical Areas (CMSAs). Generally speaking, a MSA consists of one or more counties and meets specified size criteria—either it contains a city of at least 50,000 inhabitants, or it contains an urbanized area of at least 50,000 inhabitants, and has a total population of at least 100,00 (75,000 in New England). A CMSA is a metropolitan area that has a population of at least 1 million and has been divided into two or more PMSAs. The CMSA comprises the same geographic area as its constituent PMSAs which are loosely defined as free-standing areas that have a population of at least 100,000.

County definitions are assigned according to Federal Information Processing Standards Publications (FIPS PUBS) as issued by the National Institute of Standards and Technology, after approval by the Secretary of Commerce pursuant to Section 5131 of the Information Technology Management Reform Act of 1996 and the Computer Security Act of 1987, Public Law 104-106. Areas shown as counties include areas designated as independent cities in some jurisdictions, and, in Alaska, those designated as census areas where counties have not been created.

## Additional statistics and other information

Additional average annual pay data (or Covered Employment and Wages data) is available on the BLS Internet site at <a href="http://www.bls.gov/cewhome.htm">http://www.bls.gov/cewhome.htm</a>. Data can be accessed in two ways, through Selective Access, which allows quick access to particular items or via the special request FTP service, which allows access to extensive collection of flat text files. The San Francisco Information Office can provide assistance accessing these files by calling (415) 975-4530.

This news release, along with other BLS statistics and information, is available via the Internet at the BLS World Wide Web site <a href="http://www.bls.gov/ro9news.htm">http://www.bls.gov/ro9news.htm</a>.

BLS issues an annual report that provides data from state UI and UCFE programs. The comprehensive bulletin, *Employment and Wages*, *Annual Averages*, *199*9, features information by detailed industry on establishments, employment, and wages for the nation and individually for each state. The report is available for sale from the Bureau of Labor Statistics Publications Sales Center, P.O. Box 2145, Chicago, Illinois 60690. Telephone orders using a credit card (MasterCard, VISA, Discover/NOVUS) or Government Printing Office Deposit Account are accepted at (312) 353-1880 from 8 a.m. to 3 p.m. central time.

For personal assistance or further information on Annual Average Pay data as well as other Bureau programs, contact the San Francisco Information Office at 415-975-4350 from 9:00 a.m. to 11:30 a.m. and 1:30 p.m to 4:00 p.m. pacific time.

Table 1. State average annual pay for 1998 and 1999 and percent change in pay for all covered workers  $^{\rm 1}$ 

	Average annual pay		Percent change,	
	1998	1999	1998-99	
UNITED STATES <sup>2</sup>	\$31,945	\$33,340	4.4	
Pacific division <sup>3</sup>	34,362	36,518	6.3	
Alabama	27,042	28,095	3.9	
	<b>33,847</b>	<b>34,033</b>	<b>0.5</b>	
	29,322	30,525	4.1	
	24,425	25,371	3.9	
	<b>35,348</b>	<b>37,577</b>	<b>6.3</b>	
Colorado	32,248	34,191	6.0	
	40,895	42,682	4.4	
	33,969	35,157	3.5	
	48,462	50,885	5.0	
	28,184	28,935	2.7	
Georgia	30,856	32,332	4.8	
	<b>29,036</b>	<b>29,794</b>	<b>2.6</b>	
	24,868	26,044	4.7	
	34,715	36,296	4.6	
	29,108	30,027	3.2	
Iowa	26,026	26,953	3.6	
	26,845	28,031	4.4	
	26,697	27,783	4.1	
	26,910	27,216	1.1	
	25,875	26,887	3.9	
Maryland	33,301	34,489	3.6	
	37,774	40,352	6.8	
	34,521	35,750	3.6	
	32,075	33,487	4.4	
	23,822	24,391	2.4	
Missouri	28,907	29,967	3.7	
	22,648	23,260	2.7	
	25,539	26,632	4.3	
	30,203	31,213	3.3	
	30,944	32,141	3.9	
New Jersey	39,516	41,038	3.9	
	25,711	26,267	2.2	
	40,684	42,179	3.7	
	28,176	29,462	4.6	
	22,990	23,751	3.3	
Ohio	30,392	31,395	3.3	
	25,122	25,813	2.8	
	<b>29,544</b>	<b>30,872</b>	<b>4.5</b>	
	31,584	32,696	3.5	
	30,156	31,169	3.4	
South Carolina	26,161	27,132	3.7	
	22,751	23,767	4.5	
	28,462	29,478	3.6	
	31,515	32,898	4.4	
	26,873	27,895	3.8	
Vermont	26,611	27,597	3.7	
	31,373	33,025	5.3	
	<b>33,076</b>	<b>35,736</b>	<b>8.0</b>	
	25,276	26,018	2.9	
	28,531	29,607	3.8	
Wyoming	24,725	25,647	3.7	

<sup>1</sup> Includes workers covered by Unemployment Insurance (UI) and Unemployment Compensation for Federal Employees (UCFE) programs.

2 Totals for the United States do not include data for Puerto Rico.

3 The 5 states comprising the Pacific division are in bold-face type.

Table 2. State and industry average annual pay in the Pacific States for 1998 and 1999 and percent change in pay for all covered workers<sup>1</sup>

and 1999 und percent dramge in pay 101 un 4014	Average annual pay		Percent
State and industry <sup>2</sup>			change,
	1998	1999	1998-99
United States			
Total Private	\$31,762	\$33,244	4.7
Mining	52,066	54,636	4.9
Construction	33,386	34,812	4.3
Manufacturing	40,092	41,941	4.6
Transportation, communications,			
and public utilities	39,345	41,786	6.2
Wholesale trade	41,831	44,185	5.6
Retail trade	16,810	17,602	4.7
Finance, insurance, and real estate	48,641	50,910	4.7
Services	30,053	31,509	4.8
Alaska			
Total Private	32,034	32,319	0.9
Mining	79,611	79,654	0.1
Construction	45,749	46,611	1.9
Manufacturing	31,234	33,727	8.0
Transportation, communications,			
and public utilities	41,294	42,251	2.3
Wholesale trade	36,409	35,923	-1.3
Retail trade	19,046	19,648	3.2
Finance, insurance, and real estate	34,042	34,724	2.0
Services	26,805	27,023	0.8

See footnotes at end of table.

Table 2. State and industry average annual pay in the Pacific States for 1998 and 1999 and percent change in pay for all covered workers<sup>1</sup> (Continued)

	Average annual pay		Percent
State and industry <sup>2</sup>			change,
	1998	1999	1998-99
California			
Total Private	\$34,836	\$37,310	7.1
Mining	61,129	66,062	8.1
Construction	36,076	37,523	4.0
Manufacturing	44,742	49,672	11.0
Transportation, communications,			
and public utilities	41,386	46,480	12.3
Wholesale trade	43,547	45,785	5.1
Retail trade	19,321	20,403	5.6
Finance, insurance, and real estate	51,906	54,709	5.4
Services	34,630	36,885	6.5
Hawaii			
Total Private	27,672	28,163	1.8
Mining	51,198	52,402	2.4
Construction	43,548	43,623	0.2
Manufacturing	31,404	32,035	2.0
Transportation, communications,			
and public utilities	36,708	37,613	2.5
Wholesale trade	33,333	34,173	2.5
Retail trade	17,325	17,747	2.4
Finance, insurance, and real estate	36,204	37,124	2.5
Services	27,698	28,082	1.4

See footnotes at end of table.

Table 2. State and industry average annual pay in the Pacific States for 1998 and 1999 and percent change in pay for all covered workers (Continued)

	Average annual pay		Percent
State and industry <sup>2</sup>			change,
	1998	1999	1998-99
Oregon			
Total Private	\$29,051	\$30,457	4.8
Mining	36,199	36,286	0.2
Construction	35,268	36,041	2.2
Manufacturing	38,759	41,226	6.4
Transportation, communications,			
and public utilities	35,765	38,126	6.6
Wholesale trade	39,853	42,482	6.6
Retail trade	17,452	18,319	5.0
Finance, insurance, and real estate	36,971	37,801	2.2
Services	25,905	27,309	5.4
Washington			
Total Private	32,915	35,945	9.2
Mining	42,939	43,614	1.6
Construction	33,658	35,622	5.8
Manufacturing	42,259	44,486	5.3
Transportation, communications,			
and public utilities	40,304	43,078	6.9
Wholesale trade	39,134	40,665	3.9
Retail trade	17,912	19,354	8.1
Finance, insurance, and real estate	40,695	41,744	2.6
Services	35,904	41,649	16.0

<sup>&</sup>lt;sup>1</sup> Includes workers covered by Unemployment Insurance (UI) and Unemployment

Compensation for Federal Employees (UCFE) programs.

<sup>&</sup>lt;sup>2</sup> Includes data for industries in addition to those shown separately.

Table 3. Average annual pay for 1998 and 1999 for all covered workers<sup>1</sup> by metropolitan area

	Average annual pay			Ranking <sup>2</sup> of areas
Metropolitan area <sup>3</sup>	1998	1999	Percent change,	By level of average annual pay for 1999
All metropolitan areas <sup>4</sup>	\$33,423	\$34,900	4.4	
Eugene-Springfield, OR	26,132	26,932	3.1	197
Medford-Ashland, OR	24,275	25,672	5.8	245
Portland-Vancouver, OR-WA	32,848	34,382	4.7	39
Salem, OR	25,745	26,943	4.7	196

<sup>&</sup>lt;sup>1</sup> Includes workers covered by Unemployment Insurance (UI) and Unemployment Compensation for Federal Employees (UCFE) programs.

Table 4. Employment and average annual pay for 1999 and 1998-99 percent changes for all covered workers<sup>1</sup> in the 5 largest counties in Oregon.

	Employment			Average annual pay	
		Percent	Ranked		Percent
County <sup>2</sup>		Change,	by percent		change,
	1999	1998-99	change,	1999	1998-99
			1998-99 <sup>3</sup>		
United States <sup>4</sup>	127,042,282	2.3	-	\$33,340	4.4
Oregon					
Clackamas, OR	130,086	3.4	81	31,229	4.2
Lane, OR	138,604	2.0	162	26,932	3.1
Marion, OR	125,083	1.2	216	27,335	4.9
Multnomah, OR	444,373	0.3	261	34,644	3.9
Washington, OR	214,703	2.4	131	39,207	7.0

<sup>&</sup>lt;sup>1</sup> Includes workers covered by Unemployment Insurance (UI) and Unemployment Compensation for Federal Employees (UCFE) programs. The 305 largest U.S. counties comprise 70.2% of the total covered workers in the nation. Counties in all 50 states are included. As a result, data here will differ from that previously published in the national release which was issued before New Jersey data became available.

<sup>&</sup>lt;sup>2</sup> Ranking are based on a comparison of data for 316 metropolitan areas nationwide. Data for metropolitan areas in all 50 states are included in this release. As a result, data here will differ from that previously published in the national release which was issued before data for New Jersey became available.

<sup>&</sup>lt;sup>3</sup> Includes data for Metropolitan Statistical Areas and Primary Metropolitan Statistical Areas as of June 1998. See Technical Note.

<sup>&</sup>lt;sup>4</sup> Totals and rankings do not include the six metropolitan areas within Puerto Rico.

<sup>&</sup>lt;sup>2</sup> Includes areas not officially designated as counties. See Technical Note.

<sup>&</sup>lt;sup>3</sup> Rankings for percent change in employment are based on the 288 counties that are comparable over the year.

<sup>&</sup>lt;sup>4</sup> Totals and rankings for the United States do not include data for the one large county in Puerto Rico.